

## **Need For Political Innovation:**

**Paula Tiihonen**

We are used to talking about innovations in the areas of technology. During these years of welfare and prosperity we have forgotten that social infrastructure also needs a lot of new ideas and work. The welfare state, especially, needs renovation.

Finland, where only five million people live, has succeeded in adopting modern technology. We have more high tech experts per capita than any other country in the world. Nokia is the world's leading manufacturer of digital phones. Finland has the world's most developed electronic banking system. Finland is ranked number one in mobiles phones and Internet nodes per capita. It is the most wired nation in the world, with sophisticated digital and fiber optic voice and data processing networks.

According to a report by U.S.-based International Data Corporation, Finland is the leading information society in Europe and is ranked second in the world, behind the United States, in the use of information technology. The World Health Organization has recognized Finland as a model country for its program of "Health for All by the year 2000".

The Finnish economy is functioning better than at any time since world war II. Finland was one of the countries in the best shape to join the European Monetary Union.

At the same time we have had big problems with unemployment and our political and social systems are faltering. The Scandinavian model - a full employment welfare state with universal benefits - is not functioning as it should. It is not keeping up with the speed of development of technological innovations. There is a great need for new political and social thinking. But we have started to address this problem - by introducing a political innovation which is the only one in the world. The Finnish Parliament has set up a Special Committee for the Future.

### **1. A Common Problem: democracy is faltering**

What love and democracy have in common is that we all want them, but seldom understand that we must work hard for them.

A problem that I suppose every Western country shares relates to democracy, which we still see as a fundamental requirement in our society. Thus the main task of the administration - be it an old Weberian bureaucracy or a new-style public management - is to support democratic rule and governance. Unfortunately, recent decades have seen respect for political institutions and especially for the heart of our democracy, parliament, collapse. In Finland people continued to have strong faith in their national parliament right up to the 90s. Today, by contrast, fewer than one in three retain that trust, and only one in eight has confidence in political parties. It was difficult to find candidates willing to put their names on the ballot paper in the autumn 1996 local government elections. Old fashioned party meetings appear to be attended these days only by functionaries in the line of duty, candidates fishing for votes and public servants hankering for a

reward from their party. What does it matter which model or mode of administration we are following if the foundation on which the whole thing stands is going to crumble? As a civil servant, I am of course very well aware that big organisations can survive for a long time without trust, acceptance or legitimatisation. The same applies to parliamentary democracy.

This paper is based on a general sense of concern that the foundation of democracy is weakening. What should we who work in politics or administration or are researching these questions do? First of all we should discover what is causing the perception that trust is lacking. Two main explanations come to mind: 1) There is no lack of trust at all; it's just that the media have gotten it badly wrong, or 2) it is true that people have lost their trust in Parliament and parties. I suppose it has become very clear for everybody that alternative 2 is the right one. What has not been so clearly understood is why people have rejected politics and at the same time democracy. We should be prepared to consider also the worst possibility: Could it be that either the tasks or the tools of political institutions or both have vanished or anyway diminished so much that there is no longer any reason to believe in democratic institutions?

It is not my task to answer that question: I only deal with the matter from the point of view of the parliament of a small European country that has been a member of the European Union for less than three years. The argument that I shall put to you is that some of the traditional tasks and tools of the Finnish Parliament have disappeared and this is the main reason for the distrust that the Finns now harbour. As a researcher and also erstwhile civil servant, I have been accused of being too critical and pessimistic in my evaluations. That may well have been true in the good old times. In the 90's however, with first the recession and then all its negative sequelae sweeping through our country, I have tried really hard to remember to encourage optimism in myself and to seek positive solutions. In that light, it gives me pleasure to be able to tell you about one positive activity that I have been helping to develop in the Finnish parliamentary system - a dialogue between Parliament and the Government on the subject of options for the future.

Some words concerning my background may help to explain my determination to defend democracy and identify its problems in time. I have worked in the service of democracy for 25 years: over 10 years with the Government (ministries of Finance and Justice), several years with various development agencies, and even one year at a university. I have always wanted to be near power, observe it and also do some research. My doctoral dissertation, which I wrote in my spare time, was on the subject of civic self-government in various countries. Finally, 10 years ago, I gravitated to the very heart of the political system, Parliament, a place where I had passionately wanted to be. So, when I say that I am worried about the role of Parliament in society, my feelings are partly personal; after all, who would like to end his or her career in a place that is only of trivial importance? A little more seriously, though, when I have chosen my jobs inside the democratic structure or focused my writings on democracy, I have done so very conscious of how problematic its future is.

## **2. Basic reasons why democracy is faltering in Finland**

First I want to point out that Finland is like any other Western democracy, with the same problems. In some respects, I believe, we have been forced to respond to change faster than other

countries, especially in the face of problems or new phenomena like fragmented labour markets, the need for life-long learning, modern technology and the costs of welfare. In deep recession after the collapse of the Soviet Union, a small country lacking reserves of wealth, without safe big firms or the inherited possessions of great families, Finland has had to solve problems as they come, and the sooner the better. That is the backdrop to cuts in public sector spending and also to restructuring the welfare system. The Finnish people, who only 5-10 years ago could count on big state-owned enterprises or government offices or universities and schools to provide them with jobs, have now realised that controlling the labour market is not at all one of the State's tasks. A simple thing that we should have realised even earlier is that in a modern society, in a well-functioning country and - most importantly - in a competitive healthy economy, it is companies that create jobs.

Once people have grasped that there is no longer a state that will serve as a safeguard against all the problems of their everyday lives, they demand less of the political system. They start planning their own lives without state-aid and recognise that the state is there mainly to take care of big matters like foreign policy, justice and courts, defence, etc. It is no coincidence that the only state institutions which people in Finland still firmly trust are the police, courts and Defence Forces. Welfare sectors of politics like social policy and the labour market have been seen only as deserving severe criticism, because the economies implemented in them have been so big. On the official plane, i.e. on the level of legislation or party politics, we go on as though no structural change had happened. People's first experience of change has been in practise.

Putting it very briefly, I argue that people have discovered that the State, the political system and administration no longer perform the same tasks as before. They have likewise noticed that they can no longer trust politicians.

I shall try to dig a little deeper in search of an explanation. The development of Finnish society is naturally embedded in the general evolution of the Western countries. The condition in which democracy currently finds itself is due quite simply to the fact that the onward march of globalisation has deprived nation states of tasks to perform. Parties, parliaments and governments no longer have their traditional instruments of power to wield. Globalisation has advanced faster than anyone was able to predict, and it has not been confined to the economic sphere. Indeed, it has become difficult to think of any sector of politics without international linkages.

National leaders are well aware of how globalisation is embracing capital flows, production and investment, in common with science, technology and innovation. They try to devise national policies conducive to making companies based in their respective countries more competitive in global markets. They also see countries and whole continents waging a major and never-ending competitiveness war. Every action - every political decision or omission of one - is viewed as a move in this big game of success.

You can argue that there still are areas which are absolutely under the control of national parliaments and governments. Until now, social policy has been regarded as each country's own affair. But it is not. As a borrower, an investment location, a trade partner and indeed as the focus of any economic activity that one can think of, Finland is subject to constant monitoring and evaluation. We are continually being ranked according to criteria of the greatest conceivable diversity and, unlike what happens in the case of the Eurovision Song Contest, how well we do

has direct and indirect effects on our lives. International analysts do not limit their assessments to EMU criteria, but rather examine dozens of competitive factors, risks, the health or otherwise of banks and the State's creditworthiness. A system of constant scrutiny has made those who shape domestic policies quite cautious. An unguarded sentence - however trivial - uttered by a minister can be interpreted as a signal dangerous for Finland.

Decision making even in matters of social policy or education has become more complex. International ramifications, both short- and long-term, must be weighed. An excellent example is provided by taxation, something that belongs to the core of domestic policy and national sovereignty. Countries with high taxes do not attract financiers, investors nor permanent investment. Young researchers and experts, who have been expensively trained by our society, will not stay in Finland if their incomes are negligible. On the other hand, good education and a high level of skill cannot be achieved without the support of society, and this in turn requires tax income. The same applies to stable conditions in society. Citizens generally like to be able to walk the streets in peace. The first thing that people who provide funds want to be sure of is that they will get their investment back whatever the circumstances. When international classifications are conducted, social benefits are regarded as expenses that must be covered by tax revenue or contributions collected from companies. Yet, the same economists who call for curbs on social spending would like society to provide their children with good and free education and health care.

This example exists mostly at the level of knowledge. Perhaps the majority of people have not yet seen the change and the reason for it. But I believe they have realised that some outsiders are making demands and setting goals with respect to the politics practised in Finland: These outsiders even lay down the rules to be followed so as to arrive at good solutions.

I shall take another example of a change in practice that I regard as a basic reason for distrust: European Union membership. Since we agreed to membership, the official system of politics has continued for the most part as though nothing had changed. Indeed, our politicians have told us that the power of Finnish politics has grown and the role of the Parliament has strengthened.

What is the reality? Finland has one of the best-educated populations of any country. The Finnish people understood the meaning of the EU. Finland sought and obtained economic and political stability and security. Quite rightly, citizens wanted us to be in the places where important decisions that affected Finland had long been made. We wanted to be among those with power. This means that the nation state structure was not perceived as sufficient in its basic elements. The Finnish people knew very well that EU membership meant that 70-90% of all laws in Finland would come from Brussels, that the Government and the central bank would no longer be able to wield such financial or monetary tools as inflation or revaluation. They also knew that in the long run EU integration would demand alignment of taxation and public finance policy and even of social policy in member states. Harmonisation is something that will spread from one sector to another. There are many reasons for that.

Nevertheless we are still not actually prepared to assess the significance of our membership in any greater depth than that. We have to combine globalisation and EU membership honestly. For Europe to be strong, its policies and economy must be efficient and its

institutions effective. No community can be strong if it lacks responsible bodies with broad authority to steer development, consult and produce decisions when they are needed. This does not exclude democratic deliberation and control.

Inevitably, a profound contradiction exists between a Europe that is secure and strong in the economic and political senses and national democracy in its present form. For the EU to be able to champion European interests in the global economy better than the nation states that have lost their power, it must have the instruments with which to act. It must be able to even out inequalities. It must also have the capability to mount a defence, or even direct attacks, against a variety of economic and political disturbances. Naturally, it is not only states that must pool their strength; enterprises, banks and insurance companies must all form alliances in their respective ways. A common currency, collective security and defence and, eventually, also to some degree a common social policy are logical future links in the globalisation chain. Given the heterogeneity of Europe, however, whether it lends itself to becoming a coherent monetary and economic area at all is quite another matter.

The position of national parliamentary democracy will weaken within the EU as economic, security and foreign-policy boundaries blur. If monetary and economic union as well as common security and defence arrangements are achieved, there will also have to be agreement providing for foreign policy to be handled collectively, to some degree at least. Europe can not appear in the arenas of the global economy as a multicephalous entity. It has been forecast that in the 21st century there will be at most one European country, Germany, among the world's 20 biggest economies. By what right, then, will France, Britain and Italy participate in the G7 summits of the wealthiest countries?

It could be imagined that, as it takes on the new tasks that globalisation has brought, the EU would transfer some of the functions that it assumed in earlier decades back to member states. Europe's big political leaders are willing to countenance such a transfer, but officialdom in Brussels is reluctant to relinquish its status and privileges. Civil servants defend their achieved rights everywhere.

Even though the emergence of an EU state may take years or decades to happen, citizens see or at least sense that power is in the process of being transferred. People in Europe are well-educated and their media are free. Rhetoric and cosmetics cannot mask realities for very long. Faith and confidence in our political system will return if it finds its place in the world of the 21st century and positively regains its authority through new tasks.

What are the new tasks? That is another story. But, one thing is clear: nation-states have to be able to react wisely for instance to globalisation.

### **3. The Committee for the Future**

Finland has achieved world acclaimed status in areas such as Internet usage or mobile phone ownership. With the aim of giving some structure and vision to the future, the Parliament of Finland is the first parliament which has established a special committee to manage questions pertaining to life and society in the future. I do not know if these pre-eminent achievements are a mere coincidence or symbolic fruits. But, what I know is, that after having worked as a counselor

in both two committees for the Future, I can assure you it has been a marvellous time. It has been the mixture of hard work and joy of life.

At the beginning of the 90s the Parliament wished to assume an active role in the discourse on the future of the nation. It obliged the Government to submit a report on the future once each parliamentary term. In it, the Government should define its perception of the country's future and of the measures that will be needed over a time span of 5-15 years. At the end of last election period in 1993 the Government gave the first report to the Parliament and Parliament appointed the special Committee for the Future to deliberate and reply to the Government's report. After the election in the spring of 1995 another committee for the Future was appointed. There are 17 members in the committee.

The new committee has a further task to assess the social impacts of technological development on behalf of Parliament.

#### **4. The system of dialogue on the future in the Finnish Parliament**

In spite of national differences, the division of labour between the governments that draft laws and budgets and the parliaments that approve them is approximately the same in all Western countries: governments submit proposals, which parliaments deliberate and adopt. In periods of social transition, parliaments have far too often been left in the background relative to other actors. Many parliaments are engaged in a feverish search for ways of strengthening their status as representative institutions, to enable them to regain their position as the focal point of political discussion.

One method that has been developed in Finland is the presentation by the Government of reports to Parliament. Rather than introducing legislation in Parliament, the Government submits a report on some or other important social matter, such as rural development, energy policy (including the construction of nuclear power stations) and participation in EMU. This means that problems can be discussed within the context of bigger totalities than legislative proposals permit and above all in good time, when they are of topical relevance or can be pre-emptively influenced.

The formation of the Committee for the Future is the latest means found to strengthen parliamentarism and political discourse in Finland. By replying to the Government's report on the future, arranging seminars and through other measures, the Committee can prompt a high level debate on general or special themes. Many of these issues would otherwise remain in a disadvantaged position in political discussion and the role of Parliament might otherwise be merely the passive one of waiting for a ready-made proposal from the Government.

Dialogue between the Government and Parliament in the case of reports follows largely the same lines as with other legislative drafting. After a general debate in the chamber, the matter is referred to special committees for deliberation. The committees hear the views of experts and draft a report, which is presented in session. There it is either adopted or rejected, in addition to which riders or demands that the Government undertake certain measures can be attached either unanimously or following a vote. However, a report cannot serve as a basis for a parliamentary vote of confidence in the Government.

Finnish parliamentary committees do not employ the rapporteur system with which we are familiar from the European Parliament. Instead, each committee has 17 members, all Deputies, who collectively draft the stance to be taken on each bill, budget, bulletin or Government report. All of a committee's reports are drafted as a result of cooperation among the 17 members. All members assume collective responsibility for them, unless a dissenting opinion on some part of a report or a proposal that it be rejected altogether has been recorded.

## **5. What has been on the agenda?**

After the Government has submitted its report on future options, the Committee will prepare to draft its reply to the report. The first thing to consider is whether the Government has focused on the right problems. On both occasions, the Committee has decided to write an extensive and broad report of its own. Thus it did not content itself with making some minor comments on the Government's text as is usually done.

In the first round (1993-1994), the Committee's main reason for writing its own text was that such global problems as environmental threats had not been properly dealt with by the Government. The next time (1996-1997), the Committee wished to identify instruments of economic and social success in the future and did not want to limit its decision making to a European context. It set about analysing how such factors as globalisation, information and technology, innovation and governance were affecting Finland's success in the world. All are phenomena that operate on the global, European and nation-state level. Actually we found out very soon and clearly that these are basic elements in our everyday life, at workplaces and in homes, in our studies and social life, in education and in entertainment. There are nowadays very few activities in our society that remain completely independent of modern technology or international knowledge and innovation. Competition for success is tougher than it used to be. The world is a single marketplace. The most valuable commodities are brains, knowledge and wisdom.

The committee reports have been published in English and you can find some of them on the Internet at: <http://www.eduskunta.fi/fakta/opas/tiedotus/tiedoeng.htm> Currently we are working with the report on the Scandinavian welfare model.

Incidentally, I am a social democrat and from that perspective I found it significant that for the first time in my 25-year career an important political organisation was admitting that the European and especially the Scandinavian model of the welfare state has profound problems, which have not disappeared with the ending of the recession, and we must now seek a new route. This is dealt with in the report under the heading "European values and the European model of society" (pages 26-35). It is given a more detailed examination under the heading "Questions for Finland" (pages 54-55), from which I have taken the following passage as an example.

"First of all, since the Finnish welfare model has had to be pruned owing to financing difficulties, a question that must be asked is whether it still sufficiently accords with the original goals set for it. If the difficulties besetting public finances persist and further cuts have to be made, how will the rump system match the original goals?"

Secondly, our welfare model must also be called into question on ethical and social grounds by asking simply: can any model be regarded as successful if half a million people in a nation of five million are permanently without jobs and in the process of being excluded from active society?

The third reason relates to the national economy. Just as in all other European countries, there must be constant assessment in Finland of how big the public sector must be relative to the private.

... From the perspective of future policy making and somewhat simplifying the matter, Finland can be regarded as having three important sectors that to a greater degree than other factors will determine work and livelihood and through those things our overall human welfare in the next century. They are:

- 1) social security and in general the Finnish model of society,
- 2) forests and
- 3) knowledge.

The latter two are easier to approach, because their importance for the future is already understood very widely and fairly well. The prerequisites for developing them enjoy support, because the perception is that success in those sectors will undoubtedly benefit all. Forests are our most important natural resource. The ability to exploit them must be ensured. A feature emphasised is that forests should be put to a diversity of uses. As is the case in relation to forests, there is complete unanimity in all political circles and administration that in the future work and production will be founded more on knowledge and skills than they are today.

The first problem, the features of development of social security and the model of society, is difficult to deal with, because opinions on it differ sharply not only between, but also within parties. Fear of losing benefits is strong. It may be, however, that unless we are able to create a good and functioning model of society our strengths in the forest sector and knowledge will not be enough.

A point to which attention has been drawn in the latest - albeit in some respects still preliminary - studies of the effectiveness of welfare policy is that the welfare model does not meet all of the goals set for it. When welfare in the 21st century is being pondered, problematic aspects must be addressed as openly and honestly as possible. The hypotheses are:

Hypothesis no. 1: Morbidity follows social dividing lines, i.e. the poor die considerably younger and become ill more than the rich.

Hypothesis no. 2: University education follows social dividing lines, i.e. the best places at universities go to the children of wealthy, well-educated parents in the greater Helsinki region.

Hypothesis no. 3: Upward mobility is more difficult to achieve in Finland today than it was in the highly-stratified, estates-based society of the turn of the century.

Hypothesis no. 4: In quantitative terms, the relatively well-off middle class has benefited most from housing subsidies and many other subsidies intended as forms of social support.

Hypothesis no. 5: The dependency ratio in society is becoming untenable, because the number of people employed is dwindling due both to unemployment now and more and more people taking early retirement, a trend that is likely to strengthen in the future."

## **6. Fine, so what?**

We are used to hearing about new goals, methods and processes, but seldom hear what real uses they are put to. Scientific seminars normally give us presentations of brilliant theories, but only very rarely do we get any information about how it all went in practice. The Committee for the Future has a composition that looks fine on paper and it has even begun functioning well, but a question that all of us must still ask ourselves is what use the whole thing serves.

I must confess that we are living in a zone of waiting, hesitation and danger as our experiment brings a new dimension to discussion of politics in the Finnish Parliament. Although, viewed in retrospect, the way in which the Committee came into being and got under way looks very easy and self-evident on paper, in reality many old-fashioned bureaucrats - and perhaps also some politicians - have resisted the whole idea from day one. They have emphasised the basic tasks of the Parliament which are 1) to make laws and 2) to approve the budget. So they just hope the Committee will disappear and cease disturbing the normal quiet life of Parliament. Then there are those who fear the Committee will intrude onto their turf; competition is unwelcome. On the other side, what arguments have those who do believe in this new dialogue presented in support of the Committee?

First of all, in a situation where Parliament is among the least-respected of the various actors in our society, I believe that every effort to increase people's trust in the political system should be welcomed. Another fact is that the nation-state's traditional tools for shaping national politics or economics have been rendered obsolete by globalisation and EU membership. In a nutshell, the main long-term results identified by the Committee for the Future will be the following:

### ***i) Possibility to set the agenda***

In every country it is normally the government that sets the agenda. The Committee for the Future and the two dialogues that it has practised to date have enabled Parliament independently to specify the items that are important for the future of our country. The role played by Parliament in the normal law-making-process and in dealing with the budget is fixed. It deliberates the legislation and budgets that the Government submits, following a timetable that the Government determines. The margins are very narrow. The future, on the other hand, is a broad issue and the range of items and time scale involved is such that everything is allowed.

Formal, legal authority is not the only form of power. Determining the agenda to be followed in political discourse - selecting the important matters to be included in the national debate - is nowadays also an exercise of power. In this respect, Parliament should grasp the reins.

ii) ***Active role***

The old system is based on a passive role performed by Parliament. Bills introduced by individual deputies succeed in passing through the legislative process so seldom that it was seen as a milestone event when one (dealing with the environment) did so 4-5 years ago. It had been more than 10 years since anything like that had last happened. Changes made to Governmental bills are minimal. Changes to the budget usually amount to something between 0.01 and 0.02 per cent of the bottom line, often even less. When a problem in society has been recognised and planning for a solution to it has reached the point where it is time to pass a law or include an appropriation in the budget, the whole thing has been so thoroughly deliberated that there is little left for Parliament - which is the final decision-making link in the political chain - to add. If Parliament wants to have more power, it must discuss problems earlier. Indeed, it must itself raise new topics for discussion.

iii) ***Drive for innovation***

We all know that the public sector is not a source of innovation. Why? Yet we recognise that we cannot continue with the present system, in which the public sector's share of GDP is de facto 60%. There are new tasks waiting for the State to perform, and we cannot get rid of old ones. The most useful thing that we could do with our long-term interests in mind would be to trigger a rapid wave of social innovations.

We in the Committee discovered that it is easier to invent new machines than to change an existing social system, much less create a totally new politico-social development. There are always so many groups that think only of their own interests and will resist any kind of change. The most recent major social innovation in Scandinavia occurred in the 60s, when a public health care system and an educational system (both free of charge) were put in place.

If a parliament wants to promote any kind of innovation, it must put it on the agenda very early. Rather than waiting for the government to solve problems, a parliament can prompt it to do so. Social innovation takes place on a very long time scale. The earlier the push comes, the better.

Let us take some examples. We in Finland have been starting to discuss the State's new tasks. A big committee was appointed by Government to revise the Constitution, but did not include the changing role of the State on its agenda. It even proposed to set in stone the old welfare benefits in every detail, as though the problem of costs had never arisen. Many criticised the proposal. The Committee for the Future had emphasised the need for change and asked the Government to compare different models of welfare. There are different politics even among socialists in Europe; just look at Tony Blair and Lionel Jospin, for example. The Finnish Ministry of Finance has launched a project called Public Sector. It will take a lot of time just to change attitudes, so it is important for innovation to start at the highest possible level of politics and also that we begin to talk about the necessity of change sufficiently early.

Another example of proposals made by the Committee for the Future is to facilitate both national-level and EU-level comparison. To do so, there is a need to measure welfare using a set of criteria broader than a GDP-based one. In response to this proposal, the Government has begun seeking solutions both here and in an EU context, but its task is not an easy one.

While the Committee has looked for new discussion themes it has also sought new tools for working in Parliament. As we all know, working methods are very strict and formal in every legislature. One of the new things we did was to organise a series of video seminars. Some 100-150 politicians, researchers, trade unionists and businesspersons assembled in the Parliament Building in Helsinki and, via a video link with a studio on the other side of the world, were brought together with experts in countries that we thought important for the future in general or from which Finland could learn something special. The name that we gave the video seminars, MODELS OF SUCCESS, reveals the main idea We have had seminars together with Singapore, South Korea, China and Wisconsin (USA). With the latter, which resembles Finland in certain respects, a penetrating comparative study of sub-factors in success, such as employment, was made. Reports of the seminars are available in English.

Based in part on this input, the Committee for the Future has developed some new methods of working. The Wisconsin project, an astonishingly multifaceted experiment, is one example. The following tale gives just a glimpse of a fascinating series of efforts.

A by-product of the Wisconsin project was the arrangement of 3-month job experience placements for 100 young Finns, in Wisconsin. During our visit to Wisconsin in January, the Committee delegation (comprising 5 deputies and myself as secretary) received an offer of several hundred summer jobs there. The offer came suddenly. We knew the summer would soon be upon us, and that the government bodies that handle student exchanges usually require a minimum of a year to do so. Thus we decided to do the whole job ourselves. In line with the American model, all was done through voluntary effort outside and parallel to people's official jobs. None of us on either the Finnish or the American side had any inkling beforehand of what obstacles would have to be surmounted. The trainee exchange project is an example of what commitment means. All parties involved had promised to do their best, so there was no giving in.

The way in which one minor bureaucratic problem connected with the 100 job placements was solved serves as a good example of how things were handled. The US regulations governing exchanges of this kind require each trainee to make an advance payment of \$600 as a sort of handling fee. With all the haste and numerous details that the process involved, this matter remained rather in the background. Later, when the youngsters were already packing for the trip, I found out that the leader of the project in the USA, Professor K. - to his wife's dismay - had gone to the director of a new bank in Wisconsin and taken a personal loan to cover the fees for all 100 Finns. Good, sound guarantees were required for the loan. They were provided by the Finnish company Fiskars, which manufactures scissors, knives and other metal products and has a factory in Wisconsin. It must be pointed out that none of the trainees was placed in the Fiskars factory, but without the company's help the whole project might well have foundered then and there.

Lastly, I would like to point out some current projects of the Committee for the Future related to electoral periods in Finland. We shall have major elections in 1999 and 2000, when we shall be choosing our own Parliament, our 16 representatives in the European Parliament, and then our municipal councils and a President. There is a need to find new items for discussion in society. The budget will swell, because all governments want to please voters before an election. There is also a need to include critical points of view in the discourse. The members of the Committee for the Future are not acting so much in the same way as the members of the other

parliamentary committees; they have not thought from the beginning that membership in this particular committee could be a special kudo. Those committees that deal with concrete topical politics are the place to be when one is seeking votes. By contrast, the Committee for the Future is more about carefully considering the interests of society as a whole.

Two important programming tasks that we shall have to tackle in 1999 will require us to set sophisticated political goals, identify problems and propose solutions that are not so oriented towards the present day as those that the administration or indeed political parties generally produce. The programme of the new government formed that year will need to be heavy on future options. The same applies to the EU Presidency, which Finland will hold for half of 1999. There are not many bodies at a high political level that represent the people. As part of its routine work, the Committee for the Future interviews prominent experts in different fields of knowledge, after which the matters in question are discussed and the points of view that emerge are woven into a report.

It is not so easy in a small country to sustain an open and lively discourse. The public sector is so large that the State is, in one form or another, always the boss. Innovation needs freedom of opinion, but also intelligent debate both in theory and in practice. Competition between new ideas is a basic element of future success. One of the ways in which this manifests itself in the sphere of politics is that heads of state, governments and parliaments are advised by bodies of outside experts. So-called wise men or think tanks study politics and evaluate strategic choices. They differ in many ways, but share one important goal: They provide the top political leadership with background information, alternative solution models, assessment of the effects of decisions, or even critical follow-up evaluations of ongoing reform processes. In Finland, only solutions arrived at in the sphere of economic policy are subject to systematic assessment. Even in economic forecasting, everything is based on figures calculated by the Central Statistical Office.

Parliament could function as a better forum for discussion of new ideas. Through its seminars and with its reports it is exploring the possibilities of a more open culture of discourse in a country where discussion has traditionally been rather stiff and stilted.

**About the Author:**

*Paula Tiihonen* is a Doctor of Administrative Sciences and Counsellor to the Committee for the Future of the Parliament of Finland. She can be reached at: [paula.tiihonen@eduskunta.fi](mailto:paula.tiihonen@eduskunta.fi)

April 16, 1998